



Minnesota Pollution Control Agency

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March 16, 2016

Ms. Tamara Cameron
USACE
Regulatory Branch Chief, St. Paul District
180 Fifth St E Ste 700
St. Paul, MN 55101-1678

Mr. Tom Moe
U.S. Steel Corporation
Minnesota Ore Operations
8819 Old Highway 169
Mt. Iron, MN 55768

RE: 2014-01247-TJH

401 Certification for U.S. Steel Corporation – Dark River Seepage Collection System

Dear Ms. Cameron and Mr. Moe:

This letter is submitted by the Minnesota Pollution Control Agency (MPCA) under authority of Section 401 of the Clean Water Act (CWA) (33 USC 1251 et seq.), Minn. Stat. chs. 115 and 116 and Minn. R. 7001.1400-7001.1470, R 7050, 7052, and 7053. The MPCA has examined the application and other information furnished by the applicant, U.S. Steel Corporation (USS), for the discharge of fill material into 5.75 acres wetlands that are part of the tributary system of the Dark River for the construction of a seepage collection project at the west tailings basin of the Minntac facility in Mountain Iron, Minnesota. The MPCA bases its certification decision upon an evaluation of this information and information that is relevant to water quality considerations.

The project is located in Sections 6, 7, 18, 19, and 30 of township 59N, Range 18W; and in Section 24, Township 59N, 19W, St. Louis County, Minnesota.

MPCA 401 Certification Determination

Section 401 of the CWA is designed to assure that any activity that has potential water quality impacts under a permit issued by the federal government meets state water quality standards. When a project requires a federal permit and has the potential to impact waters, the MPCA reviews the project under Section 401 to ensure that it does not adversely impact the water quality standards that the MPCA has established for that water body.

The MPCA relies upon several regulatory programs to manage the water quality impacts of mining operations. This 401 certification is not intended to set requirements related to water quality and water quality standards that are addressed through the NPDES/SDS permit program. U. S. Steel is authorized to discharge to various surface water systems under NPDES/SDS Permit No. MN0052493 for the Minntac Mining Area.

This project is part of a Schedule of Compliance (SOC) established by the MPCA and directing USS to undertake actions to reduce seepage from the Western Tailings Basin into the Dark River.

The MPCA certifies the referenced project because there is reasonable assurance that the activity will be conducted in a manner that will not violate applicable water quality standards provided that USS complies with the conditions described below.

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Wetland Mitigation

USS shall provide compensatory mitigation for the loss of 5.75 acres of wetlands in accordance with requirements set forth by the U.S. Army Corps of Engineers (USACE). USS is planning to acquire the necessary wetland credits for mitigation from their Palisades III Wetland Bank located in Aitkin County, Minnesota. USS shall inform the MPCA of any changes to the wetland mitigation plan, the required amount of wetland mitigation, or to the credit release schedule for the Palisades III Wetland Bank.

Wetland impacts shall occur only as credits are available and approved for release from the Palisades III Wetland Bank, or from an alternate wetland mitigation bank approved by the USACE.

The following conditions must be complied with:

- 1) **Monitoring:** Wetland monitoring must be completed following the requirements of the USACE. This includes vegetative monitoring and hydrologic monitoring. Vegetative monitoring must use the Floristic Quality Assessment (FQA).
- 2) **Reporting:** USS shall provide an annual wetland monitoring report, describing the data collected from the required monitoring in Item 1 above. The report must include an evaluation of indirect impacts to the surrounding wetlands. USS must submit the report to the MPCA each January 1 following the first full year of construction until the extent of any impacts is determined. MPCA approval is required before annual reporting may cease.
- 3) **Additional Wetland Impacts -** Any additional impacts to the 72.5 acres of wetlands within the 225 acre Western Seepage Collection Project area, beyond the 5.75 acres already identified for direct and indirect wetland impacts, shall require additional mitigation. USS must notify the MPCA of any additional impacts and provide a mitigation proposal within 30 days of discovery.

The MPCA certifies the referenced project application, with the above conditions. This action does not eliminate, waive or vary the applicant's responsibility of complying with all water quality standards and requirements contained in Minn. R. 7050 and all other applicable MPCA statutes and rules regarding water quality in the construction, installation, and operation of the project.

MPCA reserves the right to revisit or change any part of this certification or revoke the certification, due to new or additional information, updated information, changes in technology, or any other changes that could render the certification conditions inadequate to assure compliance with water quality standards or jeopardize the goals of the MPCA.

This action does not release the applicant from any liability, penalty or duty imposed by Minnesota or federal statutes, regulations, rules or local ordinances and it does not convey a property right or an exclusive privilege. If you have any questions or require additional information regarding this certification, please contact Jim Brist at 651-757-2245.

Sincerely,

Catherine Neuschler
Supervisor, Agency Rules Unit
Environment and Energy Section
Resource Management and Assistance Division

CN:jlr

March 16, 2016

cc: Tom Hingsberger, USACE
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